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BHP Enterprise Bargaining 2022 Update

BHP members support new EA that sees permanent jobs grow

Workers at four BHP mines in Central Queensland have voted up a new Enterprise Agreement (EA) that guarantees growth in permanent job numbers.

Voting by workers at Goonyella Riverside, Saraji, Peak Downs and Blackwater mines concluded at midday on Thursday, with a majority of workers voting in support of the new Agreement.

The new EA:

- requires BHP to hire 105 new EA positions across the four sites within the first year
- guarantees that EA numbers don't fall below current levels across all mines
- provides for one-for-one replacement of EA employees within the same mine site and work area.

Queensland President Stephen Smyth said these job security measures would reverse the trend of declining permanent jobs at the large Central Queensland mines.

"Negotiations for the new EA were long and tough; but members said that standing up for permanent, secure jobs was their top priority and we were able to achieve some important protections.

"BHP will no longer be able to cut permanent jobs and replace them with labour hire. Maintaining permanent jobs will be a priority when there is a labour surplus and EA jobs lost through attrition must be replaced by EA jobs.

"These are important provisions that will ensure there are more pathways to permanency."

The three-year Agreement also includes:

- annual pay rise of 4% (with the first increase backpaid to March 2022)
- \$2000 Sign-on bonus
- voluntary early retirement scheme
- improved protections to ensure training of permanent employees.

The new EA introduces a new four-level classification structure for new starters, based on skills and length of service. BHP will be required to move new starters through the classification levels with no more than two years spent at each level.

"Overall, this EA will increase permanent jobs and improve pathways to permanency for the future workforce," said Stephen Smyth.

"There's no doubt BHP is a tough negotiator. But members have achieved a result that will have a positive impact across the four mines and the broader Queensland coal industry.

"I thank the bargaining committee for their hard work and our members for their determination to take action in support of their claims."



Members strike against dodgy individual contracts

Emergency services officers at AGL Loy Yang A have commenced protected industrial action to fight the introduction of individual contracts and instead reinstate a Union Agreement that provides for strong collective conditions.

After seven months of unproductive meetings between bargaining representatives and MSS Strategic Medical and Rescue (MSS SMR), a Protected Action Ballot Order (PABO) was approved by the Fair Work Commission (FWC) and Members voted to take industrial action.

Protected action commenced on 17 December 2022 and is likely to continue over Christmas and New Years.

In December last year, workers were blindsided when MSS SMR secured the contract from AGL. In this process, workers' Enterprise Agreement was removed, and individual contracts were provided by the company who believe in 'direct engagement'.

From the Union's perspective, MSS SMR made no attempt to engage the Union, and have dismantled an industry leading Enterprise Agreement with hard fought for wages and conditions, instead introducing common law contracts.

"It was extremely disappointing to have a multinational company like MSS SMR tender a quote for OHS and Security at the AGL Loy Yang power station, and then undercut wages and conditions of shift workers that have been built up over decades," said Mark Richards, Secretary of the Mining and Energy Union Victorian District.

Contracts strip away wages and conditions, but also remove workers' ability to have a say in what happens to them at work.

Conditions are now covered by company policy

which can be changed at the company's whim, and basic clauses such as consultation and dispute resolution have been removed.

AGL has already announced that they will be closing Loy Yang A ten years earlier than expected, and power station workers are looking for real and genuine support during this time of upheaval and uncertainty.

"While the Latrobe Valley is looking for a Just Transition for workers, having their conditions stripped away is a massive kick in the guts for all in the industry."

However, one thing MSS did not factor in when making all these changes was the resolve of our Members who have stayed united through the whole process.

The Mining and Energy Union informed MSS SMR of our intention to enter into bargaining on behalf of our Members in May, and now workers are engaging in industrial action to win back a fair collective Agreement.

This will be a process to win back the wages and conditions that were stripped away by the company, however Members are presenting a united front, and the Union will always back in our Members who are fighting dodgy employers and unfair individual contracts.



50 years of struggle; and how the 'bucket shop dog' got off its leash



Past and present members of our Peak Downs Lodge gathered in Moranbah earlier this month to celebrate the 50th anniversary of the formation of the Lodge - and a stick-figure dog that went viral before the internet.

Guest speaker and former Lodge President Terry Low reflected on the militant history of the Lodge, with members willing to 'hit the grass' as long and often as needed to fight for the issues that mattered to workers and communities. Some of the big strikes in the Lodge's history were over provision of company housing, apprentices and equalisation of rates.

However the election of John Howard ushered in harsher workplace laws that made it much harder for unions to take strike action.

Terry Low's predecessor Marty Crane also attended the celebration at the Miners Rugby Club. He said the Lodge had always stood up for the whole community. The 1980s dispute over housing was just as focused on maintaining company housing for teachers, nurses and police as for mineworkers. "It's great to see the union is still going strong," Marty said. "In Moranbah it's still part of the town - otherwise we'd be stuffed. Companies don't care about workers."

Current Lodge President Danny Kliese said the Lodge had taken lengthy periods of

strike action over decades to build a strong foundation of rights and conditions. But the enormous profits at stake and legal restrictions on union activity meant times were very different than 1972, when the Lodge was formed. The Lodge operates differently now but remains strong and determined.

Members wore commemorative shirts for the anniversary event, featuring the 'bucket shop dog' which has become a symbol of Peak Downs miners' tenacity and humour over decades.

Long-term member Peter Freeleagus told the story of the stick-figure dog, which went viral in the 1980s after a chain of supervisors phoned each other to question how a boiler-maker on the workshop floor was using his time.

The boiler-maker in question calculated the cost of the time spent by each supervisor and manager along the chain calling each other to question his use of time. He wrote his calculation chalk in the massive bucket in the workshop (confirmed to be correct), with his superintendent calling him a 'dog-f**ker' for his effort. The boilermaker then drew a stick figure dog on the bucket.

Management made it known they didn't like the dog, which guaranteed its popularity with workers. Images of the dog started turning up everywhere around site, around town and even around the world when Peak Downs workers travelled. The stick figure dog made its way into a BHP annual report, when it was on a piece of machinery photographed for the annual report.

Decades later, the Peak Downs 'bucket shop dog' is an established part of Lodge folklore. As Peter Freeleagus said, the unleashing of the dog is a symbol of workers standing up for the respect they deserve.

After fifty years of struggle, the Peak Downs Lodge and all its members past and present have our full respect.



Withdrawal update



After protracted legal proceedings, there is positive news for our application to withdraw from the CFMMEU, writes General Secretary Grahame Kelly

We are pleased to report we have made important progress in our application for a ballot of members to withdraw from the Construction Forestry Maritime Mining and Energy Union (CFMMEU).

Since National Convention voted unanimously in March 2021 to apply for a ballot to withdraw from the amalgamated union, we have faced numerous legal challenges and had our first application to the Fair Work Commission rejected on technical grounds.

We have since made a second application. During the process to date, we have faced on-going legal challenges to our application from the CFMMEU.

However, after lengthy discussions, we have reached agreement with the CFMMEU over a mutually acceptable pathway to withdrawal and eligibility rules for each union.

Members can be reassured that the agreement over eligibility reflects current practice and

ensures all current members can remain being covered by the Mining and Energy Union. This agreement is not the end of the process, however we are optimistic that the path ahead will now be quicker and smoother.

The Fair Work Commission will assess the terms proposed in the agreement and continue considering our application for a member ballot, with further hearings scheduled for March 2023.

If the proposed rule changes for each union are approved by the Fair Work Commission, our application will proceed without further legal challenge by the CFMMEU.

We remain committed to honouring the unanimous decision by National Convention, which has since been reaffirmed by Central Council, to give members a democratic say over their future.

We thank members for their patience and look forward to finalising this matter in 2023.



Coal's record-breaking year in five numbers

2022 was a record-breaking year for coal in more ways than one. Volatile markets due to the Russia-Ukraine war, the global pandemic, wet weather patterns, and the policy challenges of the energy transition, all combined to deliver the extraordinary circumstances the coal industry now finds itself in. Below we reflect on the figures that staggered us this year.

US\$457.12/t

In early September, this is the extraordinary spot price that Newcastle thermal coal peaked at. And it has spent much of second half of this year above US\$400/t. Consider that barely two years ago thermal coal prices were struggling to reach triple-figures, and it's not hard to see why Australian coal companies have been swimming in enormous profits. As the year comes to a close, we remain in the bizarre situation of thermal coal prices exceeding coking coal prices. And while most forecasters expect prices to start easing from these heights next year, they will likely remain elevated above historical averages for some time to come.

More than US\$600/t

Metallurgical coal has returned below US\$300/t in the latter half of 2022, affected by sluggish global steelmaking output. But back in April, Australian prime hard coking coal shot well beyond US\$600/t, enabling met coal producers to rake in billions for the 2021-22 financial year.

AU\$133 billion

This is how much Australian coal exports are set to earn in the 2022-23 financial year, according to the federal Department of Industry's latest forecasts, with around 57% expected to come from thermal coal exports. In the 2021-22 financial year, coal exports earnt AU\$114 billion, with metallurgical coal accounting for the majority of those earnings.

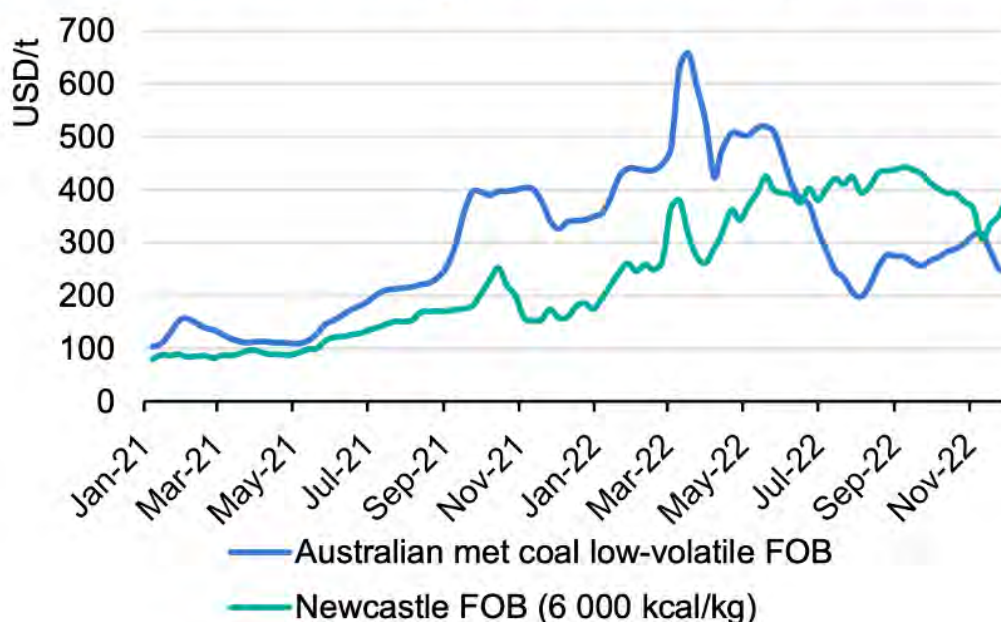
US\$2 trillion

This is the global windfall profit fossil fuel companies reaped due to this year's energy crisis, in addition to their usual earnings, according to the International Energy Agency. Meanwhile, workers and ordinary citizens have struggled to pay their power bills.

8.05 million tons

The International Energy Agency expects global coal demand for the 2022 calendar year to reach 8.05Mt, a record high and a 1.2% increase on 2021. However, the trajectory has been slowing, with global coal demand expected to plateau over the near future to 2025.

Marker prices for different types of Australian coal, 2021-2022



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APPLY NOW: Scholarships for miners and family members return for 2023

Applications for our 2023 Mineworkers Trust scholarships for further education are open until February.

In 2023 the Mineworkers Trust is providing 20 scholarships worth \$7,000 each to MEU members and families.

If you or your family member or dependent are undertaking or applying to undertake a course at Diploma Level or higher at TAFE or a public university in 2023 then you are eligible to apply.

Applications for 2023 are now open and must be received no later than Friday 10th February 2023. Please send completed applications via email.

Bella Gallagher was a recipient of the scholarship in 2022. Bella's father, Steven Gallagher works at Boggabri Coal Mine.

Bella is studying a Bachelor of Teaching (Early Childhood and Primary) and she says that she can't wait to start this in profession and make an impact on young lives.

Bella told us that the Mine Workers Trust fund helped to reduce the financial stress of studying. It has allowed her to dedicate more time to her studies and has helped pay for her university fees, as well as day to day things like rent and groceries.

The Mineworkers Trust disburses millions of dollars to support vital services and organisations in mining communities. The annual scholarship program has helped put hundreds of students from mining and energy families through universities and other higher education institutions.

Applications for the 2023 Mineworkers' Trust Scholarship awards are now open.

The form is available as a fillable PDF. After you have opened the form in your web browser you must download it to your computer to make it fillable.

Download the Application Form at our website.



These retired members know what solidarity means

The Burragorang and South Western Districts Retired Mineworkers Association recently held their Christmas Dinner in Camden.

Retired mine workers and their families in the South Western District regularly come together to socialise, share a meal and catch up with their former work mates.

“The day had a great turnout and there was a good mix of people - friends and colleagues, and the event was enjoyed by all who attended,” said Peter Hestelow, Secretary of the Association.

“I spoke to a lot of people after the event and they all said the food was done beautifully, they were very pleased with the service and the extended raffle went well.”

This group also holds events throughout the year which includes day trips and overnight trips to resort areas and historical sites.

“We get all the retired miners and their families together for trips and dinners and they love these types of functions.

“I think it’s important that they have an opportunity to come together and have a chat and socialise.

“Next year we’re planning on going to the Coal Loader in Waverton and these events are great days out for retired miners and their families,” said Nancy Dimech, the Association’s Function Coordinator.

Unionism doesn’t stop at the end of your shift, when you leave the work site or when you retire. This spirit of solidarity we carry together continues.

The event was sponsored by Coal Services, Mining and Energy Union South Western District, Union Members from Tahmoor Colliery and Washery, SIMEC Mining, RStar Mining and various members who provided individual donations.

Our Union has often been at the centre of coal mining communities, and we are proud to sponsor and be involved with these types of events.



Community giving continues strong in 2022

Mining Energy Members have continued a long tradition of generous community giving this year. Our Union has often been at the centre of coal mining communities, and our Districts work in close partnership with their local communities.

Here are just a few of the great causes our members have supported in 2022:

RACQ Rescue Helicopters Mackay

The RACQ Rescue Helicopter is a community-funded rescue helicopter which provides a lifeline for those who need it across Central and North Queensland. Our Union has long supported the helicopter, and this year a cheque for \$10,000 was presented by Matt Beattie and Shane Bird on behalf of the Hay Point Lodge, to support their life saving work.

Big support for local schools

Across our Districts, Members have provided support to local schools by providing donations worth up to thousands of dollars each.

Some local schools who received support from our Districts include Blackwater North State School, Moranbah North State School, Maffra Secondary College, Baringa Special School, Drouin Secondary College, Mirboo North Secondary College, Mount Beauty Secondary College, Warragul Regional College, Trafalgar High School, Traralgon Secondary College, Lowanna College, Kurnai College, Tieri State School and more.

The Mineworkers Trust

The Mineworkers Trust has provided \$200,000 for Mates in Mining this year to support mental health for mineworkers as well as providing 20 scholarships worth \$7,000 each for Members or family to help fund higher education.

Hayley Smyth was one of the recipients of the scholarship in 2022. The scholarship meant she could pay her study fees upfront for her graduate certificate in Critical Care Nursing, which has contributed to her ongoing education and development as a Critical Care Nurse.



Looking after the health of our communities

The NSW Northern Mining and NSW Energy District continued its strong support for the Westpac Rescue Helicopter Service, with members contributing some \$1 million through payroll deductions.

This is in addition to their contributions of over \$150,000 to various charities including Ronald McDonald House Northern NSW, Westpac – Variety the Children’s Charity, Calvary Mater Oncology, Lifeline Australia, Red Nose, CanTeen Hunter Northern NSW Division and more.

One of our Members in the Northern District, Garry Schumertl, shaved his head for Mates in Mining which is a suicide prevention charity for workers in mining and construction. The Lodge donated \$500 for the cause.



Our Queensland District also provided a donation of \$5,000 to Queensland Resources Dust Disease Support Group which provides support for members suffering with dust related illness.

Preserving our History



Our Union places a great deal of importance on commemorating events that are significant to our members, whether those events be memorials, key historical dates or anniversary celebrations.

This year, our Queensland District provided over \$30,000 for events such as the Collinsville Coal Mining Heritage Centre Group, the Box Flat 50-year commemoration event, and the Miners Memorial in Moranbah.



Ongoing support for Members

In 2022 Mining and Energy Lodges have also donated to countless individual families in hardship, whether to help fund medical treatment or to assist with costs associated with a bereavement.

“Across towns in Australia, community and industrial activism often go hand in hand, and we’d like to thank our Members and Districts for their continuing support for their local communities, and their generosity in 2022,” said General Secretary, Grahame Kelly.



Chicken Little miners aren't about to pack up drills and go home



Message from the General President

Changes to royalties and workplace laws, along with price caps, are annoying and mildly painful for companies that exist to maximise profits, but they won't affect investment decisions. I wrote an opinion piece for The Australian Financial Review that was published on 14 December 2022 that I want to share with you. Please read below:

Australia's mining companies would have us believe they are ready to pack up their drills and diggers and go home. At a time when they are making profits beyond their wildest projections of just 12 months ago, they have become an industry of Chicken Littles shrieking that the sky will fall in over changes that amount to little more than acorns.

Meanwhile, with real storm clouds on the horizon, they are damaging their relationship with the governments that administer our resource wealth on behalf of all Australians.

In daily headlines we are led to believe that Glencore has shelved a major new coal mine and BHP will close its giant metallurgical coal mines early because of Queensland royalties, and that Rio Tinto fears multi-employer bargaining will make it uncompetitive. Meanwhile, the gas industry peak body is saying price caps to ensure viability of domestic supply are a "declaration of war".

Another day, another threat of a \$20 million anti-government advertising campaign.

The reality is that changes to royalties and workplace laws, along with price caps, are annoying and mildly painful for companies that exist to maximise profits, but hardly the end of the world.

Queensland's increased coal royalty rate, which sailed through parliament with no opposition due to its eminent common sense, only kicks in at the historically high price of more than \$300 a tonne.

Despite industry lobbyist Ian Macfarlane's daily claims of carnage and mass exodus, no coal mining company is making investment decisions based on record prices driven by an unexpected war in Europe.

As head of the Mining & Energy Union, I was perplexed that the mining industry took the lead in campaigning against the multi-employer bargaining provisions in the Secure Jobs, Better Pay Bill.

Mining is one of the least obvious candidates for multi-employer bargaining. Enterprise agreements are already in place in the east coast coal sector, and there is little immediate prospect of widespread bargaining in the west, where ships are setting sail with iron ore worth upwards of \$20 million a load.

The proposed price caps would impose reasonable prices for the small proportion of Australian LNG and thermal coal used for domestic energy, to ensure sustainability and affordability of supply for industry and consumers. Companies will still make hay from extremely high prices being achieved on the export market.

Our mining companies need to remember that they don't own the resources. Our gas, coal, iron ore and other minerals belong to all Australians through the Crown; and the permission to mine and sell them is granted through licensing and regulatory arrangements administered by state and federal governments.

Despite threats to take their investment elsewhere, Australia's volume and quality of resource deposits in combination with our political and social stability at a time of global volatility makes us a very attractive investment destination.

Australia is by far the biggest exporter of metallurgical coal in the world, most of which comes from Queensland. We are among the biggest exporters of thermal coal and LNG.

Our customers will not be inclined to switch to other suppliers, and the idea that mining companies will pack up because they have more investment certainty on their projects in South America, Africa or Asia is absurd. Mining companies' bullying and threats are cynical and self-interested at a time when Australia, like all other nations, is trying to manage the fallout of the Russia-Ukraine war.

They are also short-sighted. Mining faces enormous challenges. There are complex relationships with our biggest customers

including China; there's the drive to develop viable industries in "future-facing" minerals such as lithium, nickel, cobalt and manganese; and there is an uncertain future for coal and the industries that rely on it. The industry is booming for now, but for how long?

The mining industry is right to be proud of its enormous contribution to employment, economic activity and government bottom lines in Australia. It's important – especially for a vibrant future for many of our regional areas – that mining continues to play a big role in our economy. But when our political leaders and much of the public are rolling their eyes at daily threats, it doesn't bode well.

Our mining industry must work maturely and constructively with our state and federal governments on a path through global instability and economic change. The current display of opportunism is damaging the industry's credibility, and the workers and communities who rely on mining for their livelihoods deserve better.



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